UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Oregon State Office 7620 S.W. Mohawk Street Tualatin, OR 97062-8121 Oregon Notice FLP-163

For: County Offices

Secretarial Natural Disaster Determination S1902

Larry C. Frey

Approved By: State Executive Director

LEF:LEV:th

1 Overview

A Background

Effective April 21, 2004, Secretary Ann M. Veneman declared a major disaster in **Morrow** County, Oregon, due to losses caused by ongoing drought that occurred on January 1, 2003, and continuing.

All contiguous counties have previously been designated as primary disaster counties or named as contiguous disaster counties, therefore, they are not considered in this designation.

B Purpose

The purpose of this Oregon Notice is to inform FSA employees of the counties eligible to receive and process emergency (EM) loan applications under this declaration. This designation is limited to crop losses that occurred during the 2003 crop year.

C Contact

Please inform the STO Farm Loan Staff of the commodities for which you will need yield and price information. Direct questions concerning the designation to Peter Halvorson at (503) 692-3688, ext. 255.

FILING: Preceding FSA Handbook 3-FLP, FmHA Instruction 1945-A & Operational File FLP 3	
Disposal	Distribution
_	
January 1, 2005	STO, DD, COR, COC, COF - Including Farm Loan Programs

Oregon Notice FLP-163

2 Action

A Implementation Responsibilities

EM loan applications will be received through December 21, 2004 for production losses. EM loans will be made under Farm Service Agency Handbook 3-FLP. For the purpose of establishing security values as set forth in Paragraph 171C of FSA Handbook 3-FLP, the day before the beginning of the incidence period of the disaster is December 31, 2002.

The applicant must agree to repay any duplicative Federal assistance to the agency providing such assistance. A person receiving Federal assistance for a major disaster or emergency is liable to the United States to the extent that the assistance duplicates benefits available to the person for the same purpose from another source. If additional disaster benefits are expected, but the amount is not known, the applicant must assign the benefits to FSA. Programs enacted after loan approval will not affect the loan amount.

Emergency loan funds may not be used for physical loss purposes (excluding losses to livestock) unless that physical property was covered by general hazard insurance at the time that the damage caused by the natural disaster occurred. The level of the coverage in effect at the time of the disaster must have been the tax or cost depreciated value, whichever is less. Chattel property must have been covered at the tax or cost depreciated value, whichever is less, when such insurance was readily available and the benefits of the coverage (i.e. the amount of coverage equaling the lesser of the property's tax or cost depreciated value) justify the cost of the insurance. All chattel (excluding livestock) and all real estate must have been covered by hazard insurance at the time of the disaster, if it was available and cost effective. For chattels only, if the applicant did not have an insurance policy in affect at the time of the disaster, the loan approval official shall determine whether it was readily available, and whether the benefit of the coverage would have justified the cost, had the applicant made efforts of obtain insurance.

B Filing Instructions

Preceding 3-FLP and FmHA Instruction 1945-A and Operational File FLP 3.

06-02-04 Page 2